

House File 590

H-1389

1 Amend House File 590 as follows:

2 1. Page 24, before line 27 by inserting:

3 <Sec. _____. Section 15.301, subsection 1, paragraphs
4 a and c, Code 2011, are amended to read as follows:

5 a. A save our small businesses fund is created in
6 the state treasury under the control of the ~~department~~
7 authority and consisting of any moneys appropriated to
8 the fund by the general assembly and any other moneys
9 available and obtained or accepted by the ~~department~~
10 authority for placement in the fund.

11 c. (1) If, on March 31, ~~2011~~ 2012, there are
12 unobligated moneys in the fund, such unobligated moneys
13 shall revert to the general fund of the state.

14 (2) For each quarter, beginning with the first
15 quarter after the reversion of moneys pursuant to
16 subparagraph (1) and ending with the last quarter prior
17 to the reversion of moneys pursuant to subparagraph
18 (3), the ~~department~~ authority shall, on the last day of
19 the quarter, transfer to the general fund of the state
20 the balance of unencumbered moneys in the fund.

21 (3) On March 31, ~~2016~~ 2017, all moneys in the fund
22 shall revert to the general fund of the state.

23 Sec. _____. Section 15.301, subsection 2, paragraphs
24 a, b, and e, Code 2011, are amended to read as follows:

25 a. The ~~department~~ authority shall establish
26 and administer a program for purposes of providing
27 financial assistance to eligible small businesses.
28 For purposes of this section, "*financial assistance*"
29 means loans at an interest rate not to exceed three
30 and nine-tenths percent per annum and "*eligible*
31 *small business*" means a small business meeting the
32 requirements of subsection 3. In administering the
33 program, the authority may negotiate the terms on
34 which the financial assistance is provided and may
35 include such terms in the loan agreements as are best
36 designed to effectuate the program's goals. Such terms
37 may provide for up to six months of interest-free
38 financing.

39 b. (1) The ~~department~~ authority may designate
40 an organization to administer the provisions of this
41 section on the ~~department's~~ authority's behalf.

42 (2) In order to be designated, an organization must
43 be a nonprofit organization exempt from taxation under
44 section 501(c)(3) of the Internal Revenue Code and
45 must be designated by the United States small business
46 administration as a statewide microloan program
47 provider.

48 (3) If the ~~department~~ authority elects to designate
49 an organization pursuant to subparagraph (1), the
50 ~~department~~ authority shall enter into an agreement with

1 the organization for purposes of ensuring that the
2 program is administered pursuant to the requirements
3 of this section.

4 (4) An organization designated pursuant to
5 subparagraph (1) may accept, evaluate, and approve
6 applications for financial assistance from eligible
7 small businesses pursuant to the requirements of this
8 section and may monitor the compliance of eligible
9 businesses with the terms of an agreement entered into
10 with the department authority.

11 (5) All disbursements of moneys to recipients
12 of financial assistance approved by an organization
13 designated pursuant to subparagraph (1) shall be made
14 by the department authority.

15 (6) All repayments of principal and interest on
16 financial assistance provided under the program shall
17 be remitted to the department authority and deposited
18 in the fund.

19 (7) The department authority, with the assistance
20 of an organization designated pursuant to subparagraph
21 (1), may seek the recapture of financial assistance
22 provided pursuant to this section as provided in
23 subsection 4.

24 e. The department authority, under the terms of an
25 agreement with ~~the~~ an organization designated pursuant
26 to paragraph "b", shall begin to provide financial
27 assistance from the fund not later than August 1,
28 2010, and shall to the extent practicable obligate all
29 available moneys in the fund prior to March 31, ~~2011~~
30 2012.

31 Sec. _____. Section 15.301, subsection 3, paragraph
32 d, Code 2011, is amended to read as follows:

33 d. The business has a business plan and has
34 received assistance in the development stage or the
35 expansion stage from a one of the following:

36 (1) A small business development center ~~or from a~~ .

37 (2) A qualified public or nonprofit small business
38 consultant as defined by the ~~department~~ authority.

39 (3) A bank, credit union, or extension office
40 deemed capable of administering the provisions of this
41 section by the authority.

42 Sec. _____. Section 15.301, subsection 4, unnumbered
43 paragraph 1, Code 2011, is amended to read as follows:

44 Upon approval of the application for financial
45 assistance by the department authority or an
46 organization designated pursuant to subsection 2,
47 paragraph "b", the eligible business shall enter into
48 an agreement with the department authority which shall
49 include but not be limited to all of the following
50 provisions:

1 Sec. _____. Section 15.301, subsection 5, paragraph
2 b, Code 2011, is amended to read as follows:
3 b. An eligible business that receives financial
4 assistance under this section may subsequently
5 apply for financial assistance under other programs
6 administered by the department authority.

7 Sec. _____. Section 15.301, subsections 6 and 7, Code
8 2011, are amended to read as follows:

9 6. a. The small business development centers shall
10 track the number of referrals for assistance made to
11 the department authority for assistance under this
12 section and shall include that number in the small
13 business development center's annual report to the
14 general assembly.

15 b. The department authority in conjunction with
16 an organization designated pursuant to subsection
17 2, paragraph "b", shall by January 15 of each year
18 submit a report on the program administered pursuant
19 to this section to the general assembly. The report
20 shall include information on the number of businesses
21 that receive loans under the program and any other
22 information the department authority deems relevant to
23 assessing the success of the program.

24 7. The department authority shall adopt rules
25 pursuant to chapter 17A as necessary to administer the
26 program. The department authority may adopt emergency
27 rules under section 17A.4, subsection 3, and section
28 17A.5, subsection 2, paragraph "b", as necessary for
29 the administration of this section.>

30 2. Page 26, before line 30 by inserting:
31 <Sec. _____. 2010 Iowa Acts, chapter 1184, section
32 43, is amended to read as follows:

33 SEC. 43. SAVE OUR SMALL BUSINESSES FUND
34 APPROPRIATION. There is appropriated from the school
35 infrastructure fund created in section 12.82 to the
36 department of economic development or a successor
37 entity for deposit in the save our small businesses
38 fund for the fiscal year beginning July 1, 2010, and
39 ending June 30, 2011, the following amount, or so much
40 thereof as is necessary, to be used for the purposes
41 designated:

42 For purposes of providing financial assistance under
43 the save our small businesses program under section
44 15.301:

45 \$ 5,000,000

46 Of the moneys appropriated pursuant to this section,
47 the department or a successor entity may allocate an
48 amount not to exceed two three percent of the moneys
49 appropriated for purposes of retaining the services of
50 an organization designated pursuant to section 15.301,

1 subsection 2, paragraph "b", and for administrative
2 expenses incurred by the department or a successor
3 entity.

4 Notwithstanding section 8.33, moneys appropriated to
5 the department or a successor entity in this section
6 that remain unencumbered or unobligated at the close
7 of the fiscal year shall not revert but shall remain
8 available for expenditure for the purposes designated.

9 Sec. ____ . EFFECTIVE UPON ENACTMENT. The section
10 of this division of this Act amending section 15.301,
11 being deemed of immediate importance, takes effect upon
12 enactment.>

13 3. By renumbering as necessary.

THOMAS of Clayton